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April 13, 2021

Hon. Marvin Abney Chairman, Committee on Finance House of Representatives Rhode Island State House

RE: Support for House Bills 5687, 5456, 5951 and Article 16

To Chairman Abney and Members of the House Committee on Finance:

United Way of Rhode Island is in strong support of the creation of a dedicated funding stream for housing, included in Article 16 of this year's proposed FY 2022 budget. We are also in support of the stand-alone legislation in this regard: House Bill 5687 by Representative Speakman as well as House Bill 5456 by Representative Slater. And, we support House Bill 5951 to create a Deputy Secretary of Commerce and Housing by Speaker Joe Shekarchi.

United Way of Rhode Island recently released our Live United 2025 Plan which states unequivocally that housing is a fundamental human right and, today, too many Rhode Islanders are homeless or on the brink of homelessness. Our five-year goal is to double the number of Rhode Island cities and towns that are meeting the 10% affordable housing threshold, with a specific focus on core cities. The creation of a dedicated funding stream for affordable housing is a positive step towards meeting this goal. Article 16 will allow for \$6.9 million to be placed into a Housing Production Fund. The fund will provide funding for opt-in municipal partnerships to develop housing, provide technical assistance, and subsidize local education cost increases.

Currently, Rhode Island is the only state in New England without a dedicated funding stream for affordable housing production. This is not because affordable housing is not seen as important by the public. Affordable housing has strong support throughout our state as 65% of voters just approved the affordable housing bond. Also, affordable housing is a vital component of a larger economic development strategy to strengthen Rhode Island's economy; our state cannot succeed without adequate housing for our workforce and community. For example, it is projected in a study by Roger Williams University and HousingWorksRI that our state needs to add as many as 40,000 new housing units over the next decade to stabilize our population and workforce.

At United Way, we hear from Rhode Islanders daily about their struggles through 2-1-1, our 24-hour information and referral line. We know all too well that housing affordability continues to be a challenge for many. Data from 2020 tells us that there were 98,342 requests for housing related needs. The data from these calls tells us that many Rhode Islanders continue to struggle

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to pay for their housing and recognize the need for more affordable options. The need for low-income, affordable housing is also clear in this data. While the housing crisis existed before COVID-19, the pandemic further demonstrated just how critical it is to have a home. When the simple act of staying at home is prescribed as preventative medicine by state health officials, the importance of housing is evident.

For these and many other reasons, United Way of Rhode Island was the lead funder and convener in the successful 2021 *Yes on 3* and 2016 *Yes on 7* campaigns. We have also supported the 2012 and 2006 housing bond campaigns. While all campaigns have passed by large margins, the state is forced to go to the bond market because there is a lack of continuous investment in our state budget to build our housing stock—costing taxpayers more in the long run. Creating a dedicated funding stream for affordable housing development changes how we do business and will help solve this issue. We are holding the state and ourselves accountable to make these changes.

In conclusion, Mr. Chairman, United Way respectfully requests that you support the creation of a dedicated funding stream for housing and increasing the capacity of the housing sector by building out a robust Division of Housing and Community Development.

Thank you for your time and consideration.

Cortney Nicolato

President and CEO

United Way of Rhode Island

Cc:

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